

House Study Bill 534

SENATE/HOUSE FILE _____
BY (PROPOSED ETHICS AND
CAMPAIGN DISCLOSURE
BOARD BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to activities of lobbyists and the ethical
2 conduct of state officials and employees.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 5384DP 81
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1 1 Section 1. NEW SECTION. 68B.2B EXECUTIVE BRANCH
1 2 COMPENSATION.
1 3 1. Effective July 1, 2006, an official or state employee
1 4 shall not receive compensation simultaneously from more than
1 5 one executive branch agency, unless the official or state
1 6 employee provides notice to the board within twenty business
1 7 days of accepting employment with a second executive branch
1 8 agency. Notice under this section shall include all of the
1 9 following:
1 10 a. The name and contact information of the official or
1 11 state employee and the name of the official's or employee's
1 12 original executive branch agency.
1 13 b. The name of the second executive branch agency from
1 14 which compensation may be received.
1 15 c. The amount of compensation to be received and a brief
1 16 explanation of what services are to be performed for the
1 17 second executive branch agency.
1 18 2. The board shall adopt rules pursuant to chapter 17A
1 19 necessary for the administration of this section.
1 20 3. This section shall not apply to service in the Iowa
1 21 national guard or service in the general assembly.
1 22 Sec. 2. Section 68B.4, Code Supplement 2005, is amended to
1 23 read as follows:
1 24 68B.4 SALES OR LEASES BY REGULATORY AGENCY OFFICIALS AND
1 25 EMPLOYEES.
1 26 1. An official or employee of any regulatory agency shall
1 27 not sell or lease, either directly or indirectly, any goods or
1 28 services to individuals, associations, or corporations subject
1 29 to the regulatory authority of the agency of which the person
1 30 is an official or employee, except when the official or
1 31 employee has met all of the following conditions:
1 32 ~~1-~~ a. The consent of the regulatory agency for which the
1 33 person is an official or employee is obtained and the person
1 34 is not the official or employee with the authority to
1 35 determine whether agency consent is to be given under this
2 1 section.
2 2 ~~2-~~ b. The duties or functions performed by the official
2 3 or employee for the regulatory agency are not related to the
2 4 regulatory authority of the agency over the individual,
2 5 association, or corporation, or the selling or leasing of
2 6 goods or services by the official or employee to the
2 7 individuals, associations, or corporations does not affect the
2 8 official's or employee's duties or functions at the regulatory
2 9 agency.
2 10 ~~3-~~ c. The selling or leasing of any goods or services by
2 11 the official or employee to an individual, association, or
2 12 corporation does not include advocacy on behalf of the
2 13 individual, association, or corporation to the regulatory
2 14 agency in which the person is an official or employee.
2 15 ~~4-~~ d. The selling or leasing of any goods or services by
2 16 the official or employee to an individual, association, or
2 17 corporation does not cause the official or employee to sell or
2 18 lease goods or services to the regulatory agency on behalf of

2 19 the individual, association, or corporation.
2 20 2. The board shall adopt rules specifying the method by
2 21 which employees may obtain agency consent under this section.
2 22 The board shall adopt rules specifying the method by which
2 23 officials may obtain agency consent under this section,
2 24 including situations when the person seeking to make the sale
2 25 or lease is the executive or administrative head of the
2 26 regulatory agency. A regulatory agency granting consent under

2 27 this section shall file a copy of the consent with the board
2 28 within twenty days of the consent being granted.
2 29 Sec. 3. Section 68B.4B, Code Supplement 2005, is amended
2 30 to read as follows:

2 31 68B.4B SALES OR LEASES BY MEMBERS OF THE OFFICE OF THE
2 32 GOVERNOR.

2 33 A permanent full-time member of the office of the governor
2 34 shall not sell or lease, either directly or indirectly, any
2 35 goods or services to a registered lobbyist before the general
3 1 assembly or the executive branch or to an individual,
3 2 association, or corporation which employs a person who is a
3 3 registered lobbyist before the general assembly or the
3 4 executive branch, except when the member of the office of the
3 5 governor has met all of the following conditions:

3 6 1. The consent of the person or persons responsible for
3 7 hiring or approving the hiring of the member of the office of
3 8 the governor is obtained. A copy of the consent shall be
3 9 filed with the board within twenty days of the consent being
3 10 granted.

3 11 2. The duties and functions performed by the member for
3 12 the office of the governor are not related to the authority of
3 13 the office of the governor over the individual, association,
3 14 or corporation, or the selling or leasing of goods or services
3 15 by the member of the office of the governor to the
3 16 individuals, associations, or corporations does not affect the
3 17 member's duties or functions at the office of the governor.

3 18 3. The selling or leasing of any goods or services by the
3 19 member of the office of the governor to an individual,
3 20 association, or corporation does not include lobbying of the
3 21 office of the governor.

3 22 4. The selling or leasing of any goods or services by the
3 23 member of the office of the governor does not cause the member
3 24 to sell or lease goods or services to the office of the
3 25 governor on behalf of the individual, association, or
3 26 corporation.

3 27 Sec. 4. Section 68B.37, subsection 1, paragraph a, Code
3 28 2005, is amended to read as follows:

3 29 a. The lobbyist's clients before the general assembly.

3 30 Sec. 5. Section 68B.37, subsection 1, paragraph d, Code
3 31 2005, is amended to read as follows:

3 32 d. Expenditures made by the lobbyist for the purposes of
3 33 providing the services enumerated under section 68B.2,
3 34 subsection 13, paragraph "a", before the general assembly.

3 35 Sec. 6. Section 68B.37, subsection 2, Code 2005, is
4 1 amended to read as follows:

4 2 2. A lobbyist before a state agency or the office of the
4 3 governor shall file with the board, on forms prescribed by the
4 4 board, a report disclosing ~~the same items described in~~
4 5 ~~subsection 1. all of the following:~~

4 6 a. The lobbyist's clients before the executive branch.

4 7 b. Contributions made to candidates for state office by
4 8 the lobbyist during calendar months during the reporting
4 9 period when the general assembly is not in session.

4 10 c. The recipient of the campaign contributions.

4 11 d. Expenditures made by the lobbyist for the purposes of
4 12 providing the services enumerated under section 68B.2,

4 13 subsection 13, paragraph "a", before the executive branch.

4 14 For purposes of this subsection, "expenditures" does not
4 15 include expenditures made by any organization for publishing a
4 16 newsletter or other informational release for its members.

4 17 EXPLANATION

4 18 This bill relates to activities of lobbyists and the
4 19 ethical conduct of state officials and employees.

4 20 The bill prohibits, effective July 1, 2006, an executive
4 21 branch official or state employee from receiving compensation
4 22 simultaneously from more than one executive branch agency,
4 23 unless the official or state employee provides notice to the
4 24 ethics and campaign disclosure board within 20 business days
4 25 of accepting employment with a second executive branch agency.
4 26 The bill provides that this provision does not apply to
4 27 service in the Iowa national guard or service in the general
4 28 assembly.

4 29 The bill amends Code sections 68B.4 and 68B.4B relating to

4 30 sales by officials, regulatory agency employees, and members
4 31 of the office of the governor. Currently, the Code prohibits
4 32 the sale of goods and services by such entities under certain
4 33 situations. The bill adds the leasing of goods and services
4 34 to these provisions.
4 35 The bill amends lobbyist reporting requirements. The bill
5 1 requires a lobbyist before a state agency or the office of the
5 2 governor to file a report with the ethics and campaign
5 3 disclosure board disclosing the lobbyist's clients before the
5 4 executive branch, contributions made to candidates for state
5 5 office by the lobbyist during calendar months during the
5 6 reporting period when the general assembly is not in session,
5 7 the recipient of the campaign contributions, and expenditures
5 8 made by the lobbyist for the purposes of providing the
5 9 services as a lobbyist.
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